

SCR - HOUSING BOARD

MINUTES OF THE MEETING HELD ON:

THURSDAY, 2 JULY 2020 AT 1.00 PM

VIRTUAL MEETING



Present:

Councillor Chris Read (Chair)
Tanwer Khan (Co-Chair)
Councillor Glyn Jones
Councillor Tim Cheetham
Damian Allen
Mark Lynam

Rotherham MBC
Private Sector LEP Board Member
Doncaster MBC
Barnsley MBC
Doncaster MBC
SCR Executive Team

In Attendance:

Colin Blackburn	Assistant Director - Housing, Infrastructure and Planning	SCR Executive Team
Becky Guthrie	Senior Programme Manager	Sheffield City Region
Garreth Bruff	Senior Programme Manager	SCR Executive Team
Councillor Chris Furness		Derbyshire Dales DC
Danielle Gillespie		Homes England
Tom Hawley		Homes England
Philip Blond		Respublica
Mark Morrin		Respublica
Jeff Endean		Cast Consultancy
Jonathan Moore		Cast Consultancy
Andrew Shirt (Minute Typist)		

Apologies:

Councillor Simon Greaves	Bassetlaw DC
Councillor Julie Dore	Sheffield City Council
Neil Taylor	Bassetlaw DC

1 Welcome and Apologies

The Chair welcomed everyone to the virtual meeting of the SCR Housing Board.

Apologies for absence were noted as above.

2 Declarations of Interest by individual Members in relation to any item of business on the agenda

None.

3 **Urgent items / Announcements**

None.

4 **Public Questions of Key Decisions**

None.

5 **Minutes of the Previous Meeting**

It was agreed that the minutes of the previous meeting are an accurate record and may be signed by the representative of the Head of Paid Service, subject to the following amendment at minute 2 (in bold):-

That Councillor Furness declared a non-pecuniary interest in the matters to be considered at item 8 by virtue of being a Director of the **Bradwell** Community Land Trust.

6 **SCR Housing Review - Outcomes of Phase 1**

A report was presented detailing the outcomes from initial work on the SCR Housing Review. The report requested the Board to provide initial comments on the Review and support further consultation being undertaken over Summer to inform a proposed response to the Review recommendations for consideration by the MCA in the Autumn.

The Board was reminded that they had been tasked by the Mayor with overseeing the development of a SCR Housing Review. Overall, the Review was intended to take a fresh look at housing across the city region, with no pre-defined ideas or assumptions. It sought to address some of the more open-ended questions on housing and develop findings and recommendations that can be used by the Mayor, the Combined Authority and individual districts to support the delivery of the right housing, in the right places, and of the right quality and price for local communities.

Think Tank Respublica was commissioned to undertake the work and offer a fresh perspective and new insights on the issues being considered by the Review. An independent Advisory Panel was also established to inform the Review.

The Board received a presentation from Respublica covering the headlines from their work on the Housing Review.

The Board was informed that, Part 1 of their Review was an evidence based approach which highlighted that:

- the local housing markets are broadly well balanced, however, affordability and quality was still a barrier to many;
- social mobility was being restricted; and
- economic performance was being compromised.

In response to the Covid-19 pandemic, it was noted that some households would be even more at risk due to tenants being employed in insecure jobs. Some regions and sectors would see more severe economic contractions. Additionally, there was a risk of “Urban Flight” to suburbs and demand for “traditional homes”.

The presentation stated that there would also be big opportunities with regards to a new political settlement and potentially a “Homes Fit for Heroes” programme. There would need to be a re-thinking of city and town centres and greater value placed on public space and quality design.

Part 2 of the Review focused on “moving forward” which defined six separate “propositions” all under-pinned by a single message on housing devolution.

The presentation expressed that there was now a case for devolved housing funds, due to the struggle of attracting private investment on many sites and the City Region and local political priorities not being met through existing funding mechanisms.

The “ask” of Government would be for a “devolved delivery agreement” for housing to 2025. Together with an agreement on allocation of housing (and infrastructure) funds and a South Yorkshire wide strategy to ensure outcomes are delivered.

The presentation provided Members with a detailed overview on the following 6 propositions as follows:-

- Proposition 1 – Densifying Urban Areas
- Proposition 2 – Housing Investment Fund
- Proposition 3 – Private Rental Schemes
- Proposition 4 – Design & “The Right to Beauty”
- Proposition 5 – Spatial Planning
- Proposition 6 – Net Zero Homes and Renewal

The Board was asked to provide their feedback on the outcomes of the Review.

D Allen stated that he welcomed the report, but, the real challenge would be with regards to inequality and productivity growth. Additionally, Doncaster MBC had submitted feedback on the propositions to the SCR Team.

D Gillespie highlighted that Part 2 of the review perhaps needed further clarity around timescales, the housing landscape and links to the evidence base in the Part 1 report. Some testing of impacts on housing due to the Covid-19 pandemic may be useful. Additionally, the Review had omitted to include the shared suite of place-based priorities, which would have been helpful.

P Blond acknowledged the points. He stated that, he had tried to provide the outcomes and the mechanisms for achieving the proposals within the presentation. If he was asked to progress work to the next stage, he would look to capture the policy landscape. He also highlighted that the Devolution “Ask” was not a partnership ask.

C Blackburn reported that work was ongoing with regards to places. It was important to capture the views and comments of all partners to co-deliver the desired outcomes in a different way than previously across South Yorkshire.

Councillor Jones commented that a cautious optimism approach should be taken moving forward and he would look forward to considering the recommendations further.

M Lynam reported that, in terms of the “next steps” of the Review, discussions would take place with Leaders over the Summer period on the initial outcomes. An update report would then be presented at the September Board meeting.

The Board thanked P Blond and M Morrin for their presentation.

RESOLVED – That Board Members:-

1. Noted the SCR Housing Review.
2. Requested that a proposed response to the Review to recommend to the MCA be reported to the next Board meeting, following consultation with Local Authority Leaders over the Summer.

7 **SCR MMC Audit: Eco-System and Opportunity Report**

A report was received to introduce the emerging initial findings from the ‘SCR MMC Audit: Eco-System and Opportunity Report’, for the Board’s discussion.

Members were reminded that, at the Housing Board meeting on the 29th August 2019 the Board agreed with the need to promote Modern Methods of Construction (MMC) for housing within the City Region to meet the SCR’s strategic objectives.

Three strands of work were discussed at this meeting, which had been further developed:

- Working with neighbouring Local Enterprise Partnership (LEP) areas with similar MMC aspirations, to understand and explore matters of mutual interest.
- Working with Housing Directors to explore the opportunities and benefits for creating a SCR MMC aggregated pipeline of schemes to support the promotion of MMC at scale.
- Developing a meaningful and informed shared ‘model local authority policy for MMC’ across the SCR.

The Board noted that, in order to scope the regional MMC position, the consultants Cast and Arcadis were commissioned in March 2020 to prepare a report on the SCR MMC Eco-System and Opportunities.

This report explores:

- The potential size of the future MMC market;

- The existing supply-chain and manufacturers;
- Research and development / innovation opportunities; and
- Skills – what is required, and could it be delivered through our existing further Educational providers?

The Board received a presentation from Cast and Arcadis which provided a summary of the initial findings and emerging recommendations contained within the draft report.

In summary, the following key points were noted:-

- Manufacturing in construction is key to the post-Covid-19 recovery and there is broad Government support for MMC growth.
- 27,000 MMC homes were delivered in 2019, estimated to support 6,400 jobs across the UK.
- Based on cautious assumptions, the MMC sector could double in size over a decade, directly creating: 7,000 jobs and more than £1bn of GVA nationwide.
- The SCR benefits from a strong contingent of construction supply chain businesses, a number of which are supplying the MMC sector nationally and have expanded to meet demand.

Members noted and supported the emerging eight recommendations, recognising that these were still in the early stages of development.

D Gillespie stated that in comparison to the current capital costs, an uplift was required on the MMC provision. She considered that as the project could be delivered much more quickly, it had the potential to provide some of the housing association partners and PRS operators with the ability to bring in rental yields more quickly, particularly where developed at scale on larger sites. She referred to the interventions specifically within the Homes England's portfolio, whilst acknowledging that it would not be possible for them to act on their own in relation to the leverage of shift within the market. If it was agreed to progress with the project, then Homes England would be keen for collaborative working in the short term on the practical opportunities together with the longer-term pipeline as part of the recovery plan.

Councillor Cheetham referred to the visit made to Kelham Island to observe the MMC housing scheme developer there. He considered that it had been difficult to discern the real gains to be achieved, whilst acknowledging from a regional perspective, that a whole raft of gains could be achieved by establishing a manufacturing facility within the area.

B Guthrie referred to the current number of underutilised MMC factories highlighted in the report, and the need to undertake aggregate standardisation in order to achieve better long term outcomes. Homes for the North, which consisted of 17 registered providers, are currently undertaking a similar piece of work as they had recognised the need to drive demand. SCR are at the beginning of an aggregation project which aims to deliver c150-200 units between participating local authorities. The next Board meeting scheduled for September 2020 would provide an opportunity to consider the final SCR MMC Audit report recommendations in greater detail together with the next steps for future work.

RESOLVED – That Board Members:-

1. Noted the initial findings and emerging recommendations of the SCR MMC Audit: EcoSystem and Opportunity Report.
2. Noted the timescale for completing the Report and the associated work being undertaken to explore the opportunities for MMC in supporting the ambitions of the new emerging SCR Strategic Economic Plan.

8 Housing Board Forward Plan

The Housing Board Forward Plan was presented for the Board’s information.

RESOLVED – That Board Members noted the contents of the Forward Plan.

9 Any Other Business

No further matters were raised.

In accordance with Combined Authority’s Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed

Name

Position

Date